

## COMMONWEALTH of VIRGINIA

## Department of Medical Assistance Services

PATRICK W FINNERTY DIRECTOR

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October 14, 2004

## Dear Pharmaceutical Manufacturer:

The Commonwealth of Virginia continues to seek innovative ways to provide cost-effective pharmaceutical benefits to all Medicaid beneficiaries covered through the Virginia Department of Medical Assistance Services (DMAS). To address the growing need to control rising prescription drug expenditures, DMAS has successfully implemented a Preferred Drug List (PDL) for the Fee for Service population. In February 2004, the Department received approval from the Centers for Medicare and Medicaid Services (CMS) to implement the PDL and related Medicaid supplemental rebate program.

The Pharmacy and Therapeutics (P&T) Committee reviewed antidepressants and antianxiety drug classes during their October 6, 2004 meeting and recommended to include these classes on the preferred drug list (PDL).

The Department will seek Virginia-specific contracts for pricing and supplemental rebates directly with the manufacturers. Pharmaceutical manufacturers are encouraged to provide supplemental rebate offers for consideration by the Commonwealth of Virginia. Supplemental rebate offers are being solicited for all single-source brand products in the therapeutic classes that have been recommended by the Pharmacy and Therapeutics Committee for PDL inclusion.

The affected therapeutic classes of drugs are:

Antidepressants – Selective Serotonin Reuptake Inhibitors (SSRIs), Serotonin Norepinephrine Reuptake Inhibitors (SNRIs) and Other Antidepressants Antianxiety Drugs – Benzodiazepine and Other Classes

The Department has set the following timeline for seeking supplemental rebates:

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**Friday, November 12:** Manufacturers' final supplemental rebate offers must be submitted to First Health Services by close of business.

Wednesday December 8: P&T Committee meeting to review antidepressant and antianxiety drug classes. The proposed preferred drug list for the two classes with financial information and clinical criteria will be discussed.

If you have any questions regarding the PDL process, please contact pdlinput@dmas.state.va.us. All correspondence and inquiries regarding pricing and contracting should be directed to:

First Health Services Corporation
Attention: David Adams
Clinical Management Consultant
Rebate Contracting and Pricing
4300 Cox Road
Glen Allen, Virginia 23060
Phone: 804-965-7689
Email: adamsda@fhsc.com

We hope that you will take this opportunity to work with the Department and participate in a Virginia-specific program that seeks to retain access to quality pharmaceuticals while reducing unsustainable expenditure increases. We look forward to working with you.

Sincerely,

Patrick W. Finnerty